In fact, the plaintiff's solicitor did demand for their return to which he did not respond. Yet, in breach of the said undertaking and without the plaintiff's consent he proceeded to register the said property in his name. Thirdly, it follows that as a result of the registration of the transfer of ownership in the defendant's name a police report had been lodged by the plaintiff's servant or agent concerning the same. Fourthly, despite the plaintiff's refusal to deliver the keys to the premises, the defendant without the consent or licence of the plaintiff, its servant or agent unlawfully entered upon the said property and broke into the premises and remained in possession or occupation thereof. Upon the above findings of fact and on the true construction of O. 89 r. 1 as enunciated in *Bristol Corporation (supra)* it is clear to me that the defendant had entered into and remained in occupation of the said property without the consent or licence of the plaintiff, its servants or agents. In the result, in my judgment, O. 89 r. 1 does apply to the defendant.

Perhaps, a question may be asked if the remedy sought for by the plaintiff here should be made by filing a writ for recovery of the land followed by an application for O. 14 judgment, in view of the defendant's defence that he is the registered owner of the said property, whose title is indefeasible. My answer is: since this Order is "plainly intended to remedy an exceptional mischief of a totally different dimension from that which can be remedied by a claim for the recovery of land by writ" and that this O. 89 r. 1 applies where the occupier has entered into occupation of the said property without consent or licence, it is perfectly in order for the plaintiff to bring this application.

In the circumstances of the whole case and in the exercise of my discretion, an order for possession should be made on this summons. Accordingly, I grant an order in terms of prayer (a) in enclosure 3. The defendant shall vacate and hand over possession of the premises on or before 1 November 1992. I also overrule the defendant's objections and dismiss his application in enclosure 12 with costs.

TEE YIH JIA FOOD MANUFACTURING PTE. LTD.

v.

SEET CHUAN SENG & ANOR.

HIGH COURT, KUALA LUMPUR
DATO' HAJI ABDUL MALEK BIN HAJI AHMAD J.
[CIVIL SUIT NO. C1305 OF 1985]
21 JANUARY 1993

TRADE MARKS: Passing off- Product established in Singapore - Defendant forming company in Malaysia - Carrying on a similar business using same name TYJ, logo and get up - Actual damage in passing off - Must it be proved.

The plaintiff, since October 1969, has been in the popiah (spring roll) skin business under the name "Tee Yih Jia Po Piah Dried Pastry Factory (Pte.) Ltd.", a company registered in Singapore. The first defendant formed the 2nd defendant company in Malaysia and carried on a similar business using the same name TYJ, logo and get up.

On 30 September 1980, the 1st defendant and the plaintiff's chairman and managing director, Goi Seng Hui (GSH) entered into an agreement wherein *inter alia* it was agreed that the 1st defendant will not be prohibited from carrying on the business of manufacturing or dealing in popiah skins. But was the first defendant entitled to use the name TYJ, logo and get up especially so after the plaintiff has acquired a substantial reputation and goodwill in respect of the said name, logo and get up in this region?

Held:

[1] From the evidence the name TYJ, logo and get up has become distinctive of the plaintiff's products and the use by the defendants certainly was likely to deceive or cause deception.

[2] The fact that the defendants are selling popiah skins in this country has not been disputed. Whether or not there is a likelihood of damage or actual damage from the misrepresentation can be gathered from the fact that there is a likelihood of diversion of customers from the plaintiff to the defendants which would result in loss to the plaintiff in view of the similarity in name, logo and get up and type of product dealt with by both parties. Consequent to this competition, there is bound to be actual loss to the plaintiff.

[3] It is manifest that, if the plaintiff, before he could recover damages, had to show that, in the case of each sale, the purchaser was deceived - because it is on the assumption that purchasers are deceived that the plaintiff damages are based - then his task, save in very exceptional circumstances, would be a quite impossible one. On the other hand, it is equally true to say that to impose upon a defendant the task of showing that the purchasers were not deceived would be an equally impossible one. It follows, therefore, that actual damages need not be proved in a passing off action.

[4] Where the goods are identical and in direct competition as in this case of popiah skin, the likelihood of damage to the plaintiff's goodwill is to be more readily inferred.

[5] It is clear in law that it is not necessary for passing off that every part of the get up should be imitated. Two marks, when placed side by side, may exhibit many and various differences, yet the main idea left on the mind by both may be the same.

[Judgment for plaintiff with costs].

Cases referred to:

Pakai Industries Bhd. v. Chen Yew Industries Sdn. Bhd. [1991] 2 CLJ 1574 ***(foll)***
Tan Gek Neo Jessie v. Minister for Finance & Anor. [1991] 1 CLJ 622/[1991] 2 MLJ 301 ***(dist)***
Clairol Incorporated v. Too Dit Company [1980] 2 MLJ 112 ***(dist)***
Star Industrial Company Ltd. v. Yap Kwee Kor trading as New Star Industrial Company [1976] 1 MLJ 149 ***(dist)***
Kee Keng Mow v. Setapak Garden Estate Ltd. [1975] 2 MLJ 102 ***(cit)***
Tong Guan Food Products Pte. Ltd. v. Hoe Huat Hing Foodstuffs Pte. Ltd. [1991] 3 CLJ 2001/[1991] 2 MLJ 361 ***(dist)***
Mun Loong Co. Sdn. Bhd. v. Chai Tuck Kin [1982] 1 CLJ 80/[1982] 1 MLJ 356 ***(dist)***
Revertex Limited & Anor. v. Slim Rivertex Sdn. Bhd. & 3 Ors. [1991] 1 CLJ 174 ***(dist)***
John Dickinson, Ltd. v. Apsley Press Ld. [1937] 54 RPC 219 ***(cit)***
The North Cheshire and Manchester Brewery Company, Limited v. The Manchester Brewery Company, Limited [1899] AC 83 ***(dist)***
Lloyd's v. Lloyd's (Southampton) Ld. [1912] 29 RPC 433 ***(cit)***
De Cordova & Ors. v. Vick Chemical Coy. [1951] 68 RPC 103 ***(foll)***
Procea Products Ltd. v. Evans & Sons, Ltd. [1951] 68 RPC 210 ***(cit)***
Draper v. Trist & Ors. [1939] 3 All ER 513 ***(cit)***
Sheraton Corporation of America v. Sheraton Motels Ltd. [1964] RPC 202 ***(cit)***
Poiret v. Jules Poiret Ltd. and A. F. Nash [1920] 37 RPC 177 ***(cit)***
F. Hoffmann-La Roche & Company A.G. & Anor. v. D.D.S.A. Pharmaceuticals Ltd. [1972] RPC 1 ***(cit)***
May v. May [1914] 31 RPC 324 ***(cit)***
Electrolux Ld. v. Electrix Ltd. & Anor. [1953] RPC 23 ***(foll)***
Jagathesan v. Linggi Plantations Ltd. [1969] 2 MLJ 253 ***(cit)***

Cases listed at the end of the judgment as "Cases referred to":

Re Arnold D. Palmer In the Matter of Trade Mark Registration No. 63249 [1987] 2 MLJ 681 ***(cit)***
A.G. Spalding & Bros. v. A.W. Gamage Ltd. [1915] RPC 273 ***(cit)***
Aspatra Sdn. Bhd. & 21 Ors. v. Bank Bumiputra Malaysia Bhd. & Anor. [1988] 1 MLJ 97 ***(cit)***
Roadstar-Anseah Investments Pte. Ltd. v. Thian Hock Electric Sdn. Bhd. [1990] 1 CLJ 1219 ***(cit)***
Haw Par Brothers International Ltd. & Anor. v. Jack Chiarapurk & 5 Ors. [1991] 2 CLJ 1243 ***(cit)***
Yomeishu Seizo Co. Ltd. & Anor. v. Sinma Medical Products (S) Pte. Ltd. [1991] 3 CLJ 2357 ***(cit)***
Cheong Kim Ho v. Kim Bin Realty (Pte) Ltd. (Singapore High Court Civil Suit 4463/81) ***(cit)***
The "Saudi Al Jubail" (Singapore High Court Civil Suit 399/84) ***(cit)***
Ravenhead Bick v. Ruabon [1937] 54 RPC 341
Baskin-Robbins Ice Cream Co. & Anor. v. Gutman & Anor. [1976] FSR 545 ***(cit)***
In Re An Arbitration Between David and Matthews [1899] 1 Ch. 378 ***(cit)***
Mrs. Pomeroy Ld. v. Scale [1907] 24 RPC 177 ***(cit)***
CPC (United Kingdom) Ltd. & Anor. v. Keenan & Anor. [1986] FSR 527 ***(cit)***
Development & Commercial Bank Bhd. v. Abdullah bin Ismail & Anor. [1989] 1 CLJ 190 ***(cit)***
Gimstern Corporation (M) Sdn. Bhd. & Anor. v. Global Insurance Co. Sdn. Bhd. [1987] 1 CLJ 123 ***(cit)***
Yew Wan Leong v. Lai Kok Chye [1990] 1 CLJ 1113 ***(cit)***
Union Marketing (M) Sdn. Bhd. v. Yeo Seo Khai [1991] 3 CLJ 2602 ***(cit)***
Willmott v. Barber [1880) 15 Ch. 96

Legislation referred to:

Trade Marks Act 1976
Trade Marks Act (Singapore)

Other sources referred to:

Law of Trade Marks and Trade Names, Kerly's 12th Edn., p. 346

For the plaintiff - V.L. Kandan and Linda Wang; M/s. Shearn Delamore & Co.
For the defendant - Hilary De Cruz and Low Kiang Kiau; M/s. Low & Co.

JUDGMENT

Haji Abdul Malek Bin Haji Ahmad J:
Goi Seng Hui (hereinafter "GSH"), the Chairman and Managing Director of the plaintiffs, and the first defendant, had with a few others launched the popiah (spring roll) skin business on 14 October 1969 in Singapore under the name "Tee Yih Jia Po Piah Dried Pastry Factory (Pte) Ltd." and had successfully carried on business as manufacturers and sellers of popiah skins packed in various sizes of polythene wrappers. It is not disputed that their success was attributed to the fact that the popiah skins, square in shape, were for the first time made by machine and their unsurpassed durability had undoubtedly resulted in their overwhelming popularity. There is also no disagreement as to the fact that the first defendant had left and rejoined the plaintiffs but had later started a limited company in the form of the second defendant in Malaysia.

What has been the bone of contention between the parties is the name "Tee Yih Jia" (hereinafter "TYJ") which translated from Mandarin means "the first house", "the first one", "first grade", "foremost" or "pioneer". Both parties had given evidence that each of them had decided on the name first and had designed the relevant logo, not unlike the swastika symbol or four square popiah skins placed together, and had done the relevant get up. Consequently, the issue to consider, and to my mind there is only one issue despite the number of issues raised, is whether by the first defendant forming the second defendant in Malaysia and carrying on a similar business using the same name TYJ, logo and get up, passing off has been established by the plaintiffs to warrant the Court granting the prayers asked for namely an injunction to restrain the defendants from continuing the alleged acts of passing off, that the second defendant do forthwith apply to the Registrar of Companies to have their corporate name amended by the removal of the words "TYJ" therefrom or alternatively that the Registrar of Companies be directed to require the second defendant to have their corporate name changed by the removal of the words "TYJ" therefrom, delivery up of all the offending goods, full discovery of all relevant documents, obliteration of all offending marks followed by due verification upon oath, assessment of damages for breach of contract, confidence and passing-off, costs and such further and other relief.

In my view, the whole case hinges upon the agreement made between GSH and the first defendant on 30 September 1980 (hereinafter referred to as "the relevant agreement") and, to get its full impact, it is appropriate and necessary to set it out in full in its original form minus its Schedule A:

> This Agreement is made 30 September 1980 between Seet Chuan Seng of No. 8R, Block E, Amber Tower, Amber Road, Singapore (hereinafter called "the Vendor") of the one part and Goi Seng Hui of No. 34, Farrer Road, Singapore, (hereinafter called "the Purchaser") of the other part.
>
> Whereas:
>
> 1. The vendor is the registered proprietor of 1,250 fully paidup shares in the undertaking known as Tee Yih Jia Po Piah Dried Pastry (Pte.) Ltd, a company incorporated in Singapore and having its registered office at No. 14, Little Road, Singapore, (hereinafter called "the Company") of which the vendor is the Managing Director and the Purchaser the Chairman.
> 2. The parties herein have agreed that the vendor shall sell and the Purchaser shall purchase all the vendor's said shares in the Company upon the terms hereinafter set out.
>
> Now It Is Hereby Agreed And Declared as follows:
>
> 1. The vendor shall sell and the purchaser shall purchase all the said 1,250 shares in Tee Yih Jia Po Piah Dried Pastry Factory (Pte.) Ltd. presently held by the vendor. The sale price shall be at Singapore Dollars Eight Hundred per share (S$800) and the total consideration shall be Singapore Dollars One Million (S$1,000,000).
> 2. Immediately upon signing of this agreement, the purchaser shall pay to the vendor's solicitors Messrs. Tan, Kong & Co. as stakeholders, the sum of Singapore Dollars Five Hundred Thousand (S$500,000) representing one-half of the purchase price.
> 3. Completion of the sale and purchase of the said shares shall take place at the office of Messrs. Tan, Kong & Co. on 29 December 1980 or earlier at purchaser's option. Time is of essence in this Agreement.
> 4. On the date of completion, the full balance of S$500,000 shall be paid by the purchaser by way of a cashier's order drawn in favour of the vendor against delivery to the purchaser or his solicitor of a Deed of

Transfer duly executed by the vendor in favour of the Purchaser in respect of the whole of the said shares accompanied by the share certificates relating thereto together with resignations of the vendor and his wife Tan Ah Yip from the Board of the Company. Should the purchaser fail to complete as aforesaid, the sum paid pursuant to clause (2) above shall be forfeited to the vendor.

5. There shall be no restraint of trade or restraint of competition whatsoever imposed upon the vendor by virtue of the sale and purchase herein and the parties herein expressly agree that the vendor is at absolute liberty to engage, trade or be interested in any form of business whatsoever whether touching on the manufacturing or dealing of Po Piah Dried Pastry or otherwise.
6. All trade debts of the Company comprised in Schedule A annexed hereto shall be settled by the Company by payment to Messrs. Wee Swee Teow & Co. on their undertaking to pay to the creditors comprised in Schedule A annexed hereto on the date of completion.
7. The Purchaser shall indemnify the vendor in respect of any liability arising out of any guarantee which the vendor shall already have executed to facilitate obtaining for the Company loan and overdraft facilities.
8. The vendor and the purchaser shall act as Joint Managing Directors during the said period of three (3) months or thereabout prior to the conclusion of the sale and purchase and shall co-operate in the management of the Company and carry out duties and functions reasonably expected of them provided that these duties shall not extend to giving any personal guarantee of any kind.
9. The parties herein agree to cause the appointment of the purchaser as Joint Managing Director as soon as payment by the purchaser pursuant to clause (2) has been received and cleared. Documents requiring the signature of the Managing Director shall be signed jointly by both vendor and purchaser during this said interim period pending completion.
10. The sale of shares is strictly to the purchaser directly and this agreement and the rights therein shall not be assignable to the purchaser's nominee prior to completion thereof.
11. The vendor hereby warrants that to the best of his knowledge the only existing substantial unsettled purchase Contracts made by him on behalf of the Company, apart from those disclosed in Schedule A are as follows:

(i)	Wing Engineering (Pte.) Ltd.	$5,000.00
(ii)	Kah Motor Co. Sdn. Bhd.	$28,394.00
(iii)	Lim Co Book Manufacture	$12,375.00
		$45,769.00

12. This agreement shall be construed and take effect according to the Laws of the Republic of Singapore.

In Witness Whereof the parties have hereunder set their hands and seals the day and year first above written.

Signed Sealed and Delivered)
by Seet Chuan Seng in the)
presence of:)

Richard Kong
Advocate & Solicitor
Singapore

Signed Sealed and Delivered)
by Goi Seng Hui in the)
presence of:)

Huang Lui
Advocate & Solicitor
Singapore

Of particular importance is clause 5 which forms the basis of the suit before me. My interpretation of it is that the first defendant is not prohibited from carrying on the business of manufacturing or dealing in popiah skins but he is certainly not entitled to use the name TYJ, logo and get up especially so after the plaintiffs had acquired a substantial reputation and goodwill in respect of the said name, logo and get up in this region. To the potential buyer or customer of popiah skins, discerning or otherwise, the use by the defendants of the name TYJ accompanied by the relevant logo and get up not dissimilar and almost resembling the plaintiffs' products would certainly tend to confuse and the resultant effect would be the defendants' products could easily be passed off as that of the plaintiffs.

It is of considerable interest that the first defendant trading, after the relevant agreement had been entered, as First House Frozen Food (Pte.) Ltd., had been similarly restrained by the same plaintiffs in the interim on the 22 October 1982 in Singapore High Court Civil Suit 4547/82 from "passing off or attempting to pass off and or causing, enabling or assisting others to pass off the defendants spring roll skins as and for the spring roll skins of the plaintiffs by the use in

connection therein a get-up confusingly and deceptively similar and/or a colourable imitation of the plaintiffs' get-up until after the trial of this action or until further order". This had been subsequently confirmed by a consent order which read "The defendants be restrained from doing whether acting by their directors, officers servants or agents or any of them or otherwise howsoever the following acts or any of them that is to say, passing off or attempting to pass off and or enabling or assisting others to pass off spring roll skins not the spring roll skins of the plaintiffs as and for the spring roll skins of the plaintiffs by the use of or in connection therewith a get-up deceptively and confusingly similar to that of the plaintiffs' get-up herein and/or any colourable imitation thereof. There be no order as to costs" on 24 October 1985. Not to be disregarded is the fact that the first defendant had left the plaintiffs' business due to differences which had resulted in the relevant agreement being drawn up.

As for the disputed trade mark, we are concerned only with the Malaysian Trade Marks Act 1976 and the plaintiff's registered trade mark in this country *vide* Sar/24,468. There, the specification of goods is "Food products made from flour, egg and meat pies, pastries and sausage binding material". Although popiah skins have not been particularly categorised, learned Counsel for the plaintiff has argued, and the Court is in full agreement, that they would come under food products made from flour. As a matter of interest, the plaintiff's registration in Singapore in 1984 were for shomai or dim sum, wanton pastry and flour for food, confectionery, noodles, cake, cake paste, cereal preparations, bread rolls and pies and that they had changed their name to state "food manufacturing" on 13 November 1980 about one and a half months after the relevant agreement. On the other hand, it is clear that the relevant trade mark had never been registered in the defendants' names in this country up to this date although it is still pending approval in the name of one of the directors of the second defendant.

It is also my view that the other issues raised by the defendants should not and cannot affect the decision in this matter one of which was the conviction for corruption by the income tax officer Aw Yong Leong Gan in a matter where the first defendant was named in the charge and GSH was, and this fact must be emphasised, one of the prosecution witnesses. That case only confirmed the fact of the existing differences between GSH and the first defendant at that time and GSH had given evidence that he had employed Aw Yong Leong Gan after his dismissal from service following the conviction more out of sympathy in view of his polio limp. As for the amendments in the memorandum and articles of association, again these only seek to suggest that the amendments were the result of the ongoing disputes between the parties culminating in the relevant agreement between them on 30 September 1980. We are also not concerned with the import taxes on popiah skins which the defendants have made much issue of.

A number of authorities had been cited but it is trite law that each case would certainly depend on the facts of each particular case. I must emphasise here that in a number of cases the same name had been used for different fields of business activity in which case the decisions tend to say that there could be no passing off as different products are involved. This is particularly so if the name has not been coined. Where it has been, the defendants certainly have to explain why that name had been chosen even if the products were different. If the products were the same, the name surely should not be.

As had been decidedly declared in *Pakai Industries Bhd v. Chen Yew Industries Sdn. Bhd.* [1991] 2 CLJ 1574, in order to establish a valid cause for passing off, the applicant had to satisfy five requirements namely -

(1) a misrepresentation;
(2) made by a trader in the course of trade;
(3) to prospective customers of his or ultimate consumers of goods or services supplied by him;
(4) which is calculated to injure the business or goodwill of another trade; and
(5) which causes actual damage to a business or goodwill of the trader by whom the action is brought.

In the instant case, I was satisfied from the evidence that the name TYJ, logo and get up has become distinctive of the plaintiff's products and the use by the defendants certainly was likely to deceive or cause deception. The fact that the defendants are selling popiah skins in this country has not been disputed. Whether or not there is likelihood of damage or actual damage had occurred from the misrepresentation

can be gathered from the fact that there is a likelihood of diversion of customers from the plaintiffs to the defendants which would result in loss to the plaintiffs in view of the similarity in name, logo and get up and type of product dealt with by both parties. Consequent to this competition, there is bound to be actual loss to the plaintiffs.

The editorial note in *Draper v. Trist & Ors.* [1939] 3 All ER 513 states that the judgments therein contain a full review of the law of assessment of damages in a passing off action, with particular reference to the case where there have been considerable sales of deceptive goods to middlemen, but no evidence adduced that those goods have been resold to the public. It was pointed out by Goddard, LJ, that, "upon the question of damages, a passing off action is similar to an action for libel or for the wrongful dishonour of a cheque of a trader. The law assumes that the presence on the market of a quantity of deceptive goods will have an adverse effect upon the plaintiff's business, and he is, without proof of damage, entitled to damages. It is open to the defendant to show that he has suffered little or no damage in fact, but this can only result in a low assessment of damages in the plaintiff's favour."

It was also said in the same case that "in relation to assessment of damages for passing off the defendant, therefore, has put upon the market, and sent in to the market, a quantity of goods which, on the face of them, and *ex hypothesi*, are saying something about themselves which is calculated to mislead. That is the very gist of the conception of passing off. It is manifest that if the plaintiff, before he could recover damages, had to show that, in the case of each sale, the purchaser was deceived - because it is on the assumption that purchasers are deceived that the plaintiff's damages are based - then his task, save in very exceptional circumstances, would be a quite impossible one. On the other hand, it is equally true to say that to impose upon a defendant the task of showing that the purchasers were not deceived would be an equally impossible one". It follows, therefore, that actual damage need not be proved in a passing off action.

As for the name, learned Counsel for the defendants had articulately argued that TYJ was not exclusive, invented, descriptive nor distinctive. The logo, he added, was just the common swastika sign not exclusive to the plaintiffs. As for the get up, alterations had been made over the years and it was no longer the same as the original. I had, however, examined the so called "alterations" and to me they were indeed very minor and did not deviate from the original get up. Furthermore, the use of the combination of the name, logo and get up similar to and closely resembling the name, logo and get up of the plaintiffs and in respect of a product similarly manufactured and sold by the plaintiffs certainly amounted to a strong case of passing off.

Authorities cited by learned Counsel for the defendants are certainly distinguishable on the facts. In *Tan Gek Neo Jessie v. Minister for Finance & Anor.* [1991] 2 MLJ 301, the Singapore High Court quite rightly ruled that the use of "JC Penney Collections" by the applicant for her clothing business did not amount to passing off of the products of a well known chain in the United States of America by the name of JC Penney Inc. although the name, logo and colours so clearly resembled that of the American corporation so as to be calculated to mislead. The basis of the ruling was that the American trade marks for clothes and toys were not in use in Singapore, their registration had expired in September 1983 and that the applicant had not used the name "JC Penney" on any of her goods. Consequently, it was held that the American corporation had no reputation in Singapore and the name alone could not be held to be exclusively theirs. In our case, the plaintiffs had an ongoing reputation here and the defendants had used, apart from the plaintiffs' logo and get up, the plaintiffs' name on their products, which products were the same as that of the plaintiffs.

Eleven years earlier, also in the Singapore High Court in *Clairol Incorporated v. Too Dit Company* [1980] 2 MLJ 112, it had been held that there was no passing off where the plaintiffs' herbal shampoo traded under the name "Clairol", where the plastic bottles were differentiated by different coloured caps for three different formulations, had a graphic design of a young woman in a pool surrounded by green leaves and coloured flowers. The defendants launched their herbal essence shampoo in 1976, in bottles with green caps of the same size and shape as the plaintiffs' and with similarly coloured labels, but with the trade name "Backer" and a yellow circle with the device of a bent arm holding an arrow inside it with leaves and flowers surrounding the circle. The Court had pointedly

pronounced that the two labels did not resemble one another and the different trade names and trade marks distinguished each of them. That authority certainly is not on all fours here.

Still earlier to that, again in the Singapore High Court, a different situation had arisen in *Star Industrial Company Ltd. v. Yap Kwee Kor trading as New Star Industrial Company* [1976] 1 MLJ 149 in that the passing off action was dismissed not because the products were not similar in name, mark or get up but because the original company had abandoned its proprietary rights earlier. The appellant company which was incorporated in Hong Kong had manufactured plastic toothbrushes which were packed for sale with a characteristic get up. Between 1953 and 1965 substantial quantities of the toothbrushes were exported to Singapore. The company did not however register the characteristic get up of its goods or any part of it as a trade mark in Singapore. In October 1965 the Government of Singapore imposed an import duty upon toothbrushes and after that date no toothbrushes of the Hong Kong company's manufacture was exported to Singapore. In 1968 the respondent, who had been manufacturing toothbrushes in Singapore since 1966, changed the business name under which he was trading to "New Star Industrial Company" and adopted for his products a get up indistinguishable from that formerly used by the Hong Kong company. The Hong Kong company in 1971 issued a writ of summons claiming an injunction to restrain the respondent from passing off his toothbrushes as being toothbrushes of the Hong Kong company's manufacture. The action was dismissed in the High Court and in the Court of Appeal and the appellant company appealed to the Privy Council. It was held, dismissing the appeal, that a passing off action is a remedy for the invasion of a right of property not in the mark, name or get up improperly used, but in the business or goodwill likely to be injured by the misrepresentation made by passing off one person's goods as the goods of another and that once the appellant company had abandoned that part of its former business that consisted in manufacturing toothbrushes for export to and sale in Singapore it ceased to have any proprietary right in Singapore which was entitled to protection in any action for passing off brought in the Courts of that country. They further held that the Trade Marks Act in Singapore conferred rights only in respect of registered trade marks and the Courts cannot extend the rights to cover the user of unregistered marks or get up. Here, the plaintiffs' trade mark is currently registered and their business and goodwill were certainly affected.

The Court of Appeal in Singapore had affirmed the decision of the Judicial Commissioner in *Tong Guan Food Products Pte. Ltd. v. Hoe Huat Hing Foodstuff Pte. Ltd.* [1991] 2 MLJ 361 where the facts were that the appellant had taken out an interim injunction contending that the respondent's packaging and marketing of its cashew nuts and almonds was similar to their own such that such similarity was bound to deceive or cause confusion to the public into believing that the respondent's products were associated with or connected to their business, and that would cause irreparable loss and damage to their goodwill and reputation. The appellant marketed and sold peanuts, cashew nuts and almond products under the brand name "Tong Garden". In 1983, the appellant started to package its products in aluminium foil in dark blue and white with arc colour separation. The respondent also sold the same products under the brand name "Deer Brand', which they marketed in aluminium foil packs of dark blue and white with arc colour separation. The Judicial Commissioner had held that the appellant had failed to prove any reputation in respect of its aluminium foil pack for its cashew nuts and almonds, and that there had been no misrepresentation by the respondent. He had accordingly dismissed the claim with costs and the appellant appealed. There, although the products were the same and the get up similar, the Court of Appeal in Singapore were of the opinion that since both the brand names of the parties namely "Deer Brand" and "Tong Garden" were prominently displayed on the front of the packages, an ordinary purchaser using ordinary caution in Singapore would know enough to be able to read the brand name, considering the high level of literacy in the Republic. They had consequently dismissed the appeal. As for the necessity to prove damages, the Court had remarked that "in an action for passing off, damage is an essential element of the tort and it is necessary to establish that the plaintiff has suffered damage. If the goods in question are in direct competition with one another, the Court will readily infer the likelihood of damage to the plaintiff's goodwill, not merely through loss of sales but also through loss of the exclusive use of his name or mark in relation to the particular goods or business".

Therefore, where the goods are identical and in direct competition as in this case of popiah skins, the likelihood of damage to the plaintiffs' goodwill is to be more readily inferred.

In addition, Kerly's Law of Trade Marks and Trade Names 12th Edn., at p. 346 states that "Proof of damage is not in every case essential to enable the plaintiff to maintain his action, for if he shows that the defendant is acting so as to pass off his goods as those of the plaintiff which are not the plaintiff's, it will generally be assumed that the plaintiff is thereby prevented from selling as many of the goods as he otherwise would; while even if there is no direct loss of sales (as where plaintiff and defendant are not in direct competition), the confusion between the two suppliers puts the plaintiff's goodwill at risk".

Also, in *Procea Products Ltd. v. Evans & Sons, Ltd.* [1951] 68 RPC 210, where the Court held that although no damage had been proved by the plaintiff, an action for damages for passing off lies without proof of actual damage. In particular, at the second paragraph of p. 220, the Court said "But in passing off cases, the true basis of the action is that the passing off by the defendant of his goods as the goods of the plaintiff injures the right of property in the plaintiff, that right of property being his right to the goodwill of his business. The law assumes, or presumes, that, if the goodwill of a man's business has been interfered with by the passing off of his goods, damage results therefrom. He need not wait to show that damage has resulted; he can bring his action as soon as he can prove the passing off, because it is one of the class of cases in which the law presumes that the plaintiff has suffered damage". Thus, to establish the present case against the defendants, there is no additional burden on the plaintiffs to bring forth evidence to show or prove specific instances of actual damage arising to the plaintiffs, where the defendants have diverted to themselves orders intended for and rightfully belonging to the plaintiffs. To require this would be over and above what that is required of the plaintiffs to successfully establish a case of passing off.

On local ground, the facts in *Mun Loong Co. Sdn. Bhd. v. Chai Tuck Kin* [1982] 1 MLJ 356 were that the plaintiff company had two departmental stores in Kuala Lumpur. It had sued the defendant in the tort of passing off at common law, and claimed for an injunction to restrain the defendant from using the words "Mun Loong" as part of, or in connection with, his optical goods business at No. 133 Jalan Ipoh. The Kuala Lumpur High Court in dismissing the plaintiff's claim had succinctly stated that an injunction will be granted, if as a matter of fact, the defendant's business name is calculated to deceive either by diverting customers from the plaintiff to the defendant, or by occasioning a confusion between the two businesses. But where, as in the present case, the defendant carries on a different type of business from that of the plaintiff, it must be shown that the defendant has done something to deceive. It further ruled that since the words "Mun Loong" are known Chinese words meaning "a lot of prosperity", it is the common objective of all business enterprise to be prosperous and in the absence of evidence that the defendant was dishonest in adopting that name, there was no good reason why the defendant should not trade under the name "Mun Loong". It must be stressed that in that case the name was the same but the business was different whereas here the name and the business activity were both the same.

It had also been decided in *Revertex Limited & Anor. v. Slim Rivertex Sdn. Bhd. & 3 Ors.* [1991] 1 CLJ 174 that in order to succeed in a passing off action, it was not necessary for the plaintiffs to prove fraudulent intention on the part of the defendants nor do the plaintiffs need to show actual deception. The Kuala Lumpur High Court propounded quite pragmatically that a trade name will normally have attached to it a goodwill that the Courts will protect and that if a trade name suggested that the defendant's business was an extension, branch or another agency of or otherwise connected with the plaintiff's business, an injunction would be granted. The defendants' activities in that case were identical to the plaintiffs' activities and that being so the Court held that the slightest resemblance in the trade names of the parties may create the confusion that the plaintiffs now sought to prevent from happening. It was held that except for the derivative "tex" which comes from "latex", the word "Revertex" in itself was not descriptive of anything. On the contrary, it must have been coined or invented by the plaintiffs and to that extent, it was a fanciful name which under the law the plaintiffs were entitled to protect and monopolise as having traded under the name for fifty nine years, the plaintiffs had attained a goodwill and reputation which they had a right

to protect. In the Court's view, the test was whether in the choice of such a name resembling that of another existing entity, it would create the falsehood that the business of one is an extension or branch of another or that they were somewhat connected. Accordingly it was held that under the circumstances of that case, damages would not be an adequate remedy for the plaintiffs and the balance of convenience tilted in favour of the plaintiffs being granted the interim injunction as the defendants had not yet commenced their business under their trade name of "Rivertex".

In *John Dickinson, Ld. v. Apsley Press, Ld.* [1937] 54 RPC 219, the plaintiffs, John Dickinson, Ld., had an old established trade as paper makers and printers, were the owners of a trade mark "The Apsley", and carried on business, *inter alia,* at Apsley Mills as printers to the printing trade and were known to their customers as "Apsley". The defendants had recently commenced to trade under their name Apsley Press, Ld., as retail printers. It was held that the use by the defendants of the name "Apsley" in conjunction with the word "Press" was calculated to cause confusion and lead customers and others into making inquiries, and might either damage the plaintiffs' reputation in the eyes of their customers or might lead to discredit and loss of goodwill, if financial troubles fell upon the defendants. It was also held that the belief by the plaintiffs' customers that there was some connection between the two companies would probably lead to enquiries by them and was sufficient to justify a *quia timet* action.

The facts in *The North Cheshire and Manchester Brewery Company, Limited v. The Manchester Brewery Company, Limited* [1899] AC 83 were these. The Manchester Brewery Company, Limited, had carried on business under that name for years. The appellants bought an old business called "The North Cheshire Brewery Company, Limited," and then, without intending to deceive, got themselves incorporated and registered under the name, "The North Cheshire and Manchester Brewery Company, Limited". The House of Lords were of the view that upon the evidence that as a matter of fact the name of the appellant company was calculated to deceive, the appellants must therefore be restrained by injunction in the usual way.

Lloyd's, the well-known corporation of that name, and their agents at Southampton namely Dawson Brothers, brought an action against Lloyd's (Southampton) Ld. and three other defendants for an injunction to restrain them from representing that they or any of them were carrying on business as Lloyd's agents or otherwise in connection with Lloyd's, or holding out Lloyd's as being the owners of or having connection with the defendants' business, and for other similar relief. The plaintiffs had therefore moved for an interlocutory injunction. It was held in the High Court on the hearing of the motion, that the defendants were making an impudent attempt to obtain some benefit from the reputation attaching in the shipping world to the name of Lloyd's, but that, upon the evidence, there was not a reasonable probability of deception, and that the motion must be refused.

The plaintiffs accordingly appealed and it was decided by the Court of Appeal in *Lloyd's v. Lloyd's (Southampton) Ld.* [1912] 29 RPC 433 that the evidence was amply sufficient to enable the Court to say that the defendants were using the name Lloyd's for a fraudulent and improper purpose, namely, to pose as being Lloyd's of Southampton, which they were not, and that an injunction should be granted to restrain the defendants from carrying on business under the name of Lloyd's (Southampton) Ld., or any other name calculated to induce the belief that the defendants' business was the business of, or an agency, branch or department of the plaintiffs Lloyd's. The hearing was by consent treated as the trial of the action, and the injunction was suspended for a fortnight to enable the defendant company to change its name.

In *Sheraton Corporation of America v. Sheraton Motels Ltd.* [1964] RPC 202, the Chancery Division was of the opinion that the reason for the defendant company's choice of name was self-evident, that notwithstanding the fact that the plaintiffs' business was primarily carried on abroad they had nonetheless a reputation in this country which could be injured by confusion. Accordingly it had granted an interlocutory injunction to restrain the defendants from advertising in a way calculated to suggest association with the plaintiffs.

It was evident that, that case had followed the ruling given in *Poiret v. Jules Poiret Ld. and A.F. Nash* [1920] 37 RPC 177 where it was held that the defendant had taken the name of Poiret knowing of the reputation in dressmaking gained by it in Paris and in England and desiring to get

the benefit of that reputation in the English market, and that confusion had arisen with private customers and in the press solely due to the use by the defendant of the surname of Poiret, and that, notwithstanding the plaintiff Paul Poiret had no place of business in London, he was entitled to the protection of his goods and reputation acquired in that country, that the continued use by the defendants of the name Poiret in the business would lead to confusion in the trade and among private customers, and that there had been no *laches* on the part of the plaintiff, and that the defendants had not acquired in the circumstances any concurrent right to the use of the name Poiret. In the circumstances, an injunction had been granted restraining the defendants from using the name Poiret with or without the name Jules in connection with the manufacture, sale, advertisement or business of selling dresses, milliner, costumier or designer of dresses, with an inquiry as to damages and costs.

During the appeal in *F. Hoffmann-La Roche & Company A.G. and Anor. v. D.D.S.A. Pharmaceuticals Ltd.* [1972] RPC 1, the defendants had contended that they were entitled to copy the get up of the plaintiff's capsules as it merely indicated that the capsules contained the same drug chlordiazepoxide, and they submitted that the public were not concerned with the identity of the manufacturer of the capsules as long as the capsules contained the same substance and had the same effect. They contended that in order to establish passing off it had to be shown that the public associated the capsules with a particular source of supply and that the public were concerned with the source of the product. In dismissing the appeal, it was held that the public associated the green and black capsules with the plaintiffs even if they did not know the identity of the plaintiffs, that the defendants recognised that it was to their commercial advantage to be able to use the same get up for their goods as that which had been associated for many years with the plaintiffs' article, thereby attracting to themselves some of the plaintiffs' goodwill and reputation, and that in spite of the fact that in this case the goods were not sold over the counter and the, public had little or no choice, if the defendants were permitted to put an article on the market with an almost identical get up to that of the plaintiffs' goods, the public would be misled into thinking that they were acquiring their medicine from the same original, reliable, *albeit* unknown, source as previously.

In our case, it has been established in evidence that the plaintiffs had sold and advertised their TYJ popiah skins both in this country and in Singapore. Surely the plaintiffs had by such activities acquired some reputation and goodwill in respect of their popiah skins in Malaysia so as to entitle them to relief against the defendants. Further, if the plaintiffs had no such reputation in respect of its TYJ popiah skins in Malaysia, why would the second defendant be incorporated using the same name as the plaintiffs' former name and the defendants' popiah skins sold with the name, logo and get up which were identical in all respects to the plaintiffs' name, logo and get up?

It is clear in law that it is not necessary for passing off that every part of the get up should be imitated. Two marks, when placed side by side, may exhibit many and various differences, yet the main idea left on the mind by both may be the same. A person acquainted with one mark, and not having the two side by side for comparison, might well be deceived, if the goods were allowed to be impressed with the second mark, into the belief that he was dealing with goods which bore the same mark as that with which he was acquainted. "Marks are remembered rather by general impressions or by some significant detail than by any photographic recollection of the whole" as pronounced in *De Cordova & Ors. v. Vick Chemical Coy.* [1951] 68 RPC 103

As has been submitted by learned Counsel for the plaintiffs, there is no agreement existing for the sale of the goodwill in the plaintiffs to the defendants, whether relating to the name TYJ or the logo. The same remains vested in the plaintiffs. The relevant agreement only relates to the sale of the first defendant's shares in the original company to GSH. Secondly, the name TYJ is not the personal name of the first defendant. Thus, there is completely no justification in the second defendant adopting the name TYJ or of the defendants adopting and using the name in trade. The vendor of a business must do nothing, after the sale, which is calculated to suggest that he is still carrying on the old business or to be associated therewith as held in *May v. May* [1914] 31 RPC 324. Therefore, in the absence of express agreement, the defendants do not get a blank cheque to trade under the same name as the plaintiffs or to use the logo or any of the plaintiffs' get up or trade marks at will. As had been decided in *Kee Keng Mow v. Setapak Garden Estate Ltd.* [1975] 2 MLJ 102, following

Jagathesan v. Linggi Plantations Ltd. [1969] 2 MLJ 253, an agreement ought to receive the construction which its language will admit which will best effectuate the intention of the parties and relying on this principle, from clause 5 of the relevant agreement, it can only mean that the defendants cannot be restrained from carrying on any form of business relating to the manufacturing or dealing in popiah skins whether in Singapore or elsewhere. However, the language of clause 5 certainly cannot be, and is incapable of being, construed as allowing the defendants to exploit and use with liberty any trade mark or trade name or any other get up of the plaintiffs.

Accordingly, the plaintiffs are not seeking to restrain the defendants from trading in or being engaged in any business dealing with popiah skins. The plaintiffs merely seek to restrain the defendants from unlawfully using their name, logo and get up, which is distinctive of the plaintiffs and properly belongs to them. The plaintiffs' trade mark and trade name are their corporate assets and valuable property rights to which they look to the Court for protection from infringement and passing off, such as the defendants' acts in the present case. Otherwise, the plaintiffs' valuable property rights would be derogated and the plaintiffs would suffer irreparable and permanent damage and harm in relation to their business in Malaysia.

It is well established that the Court will lift the veil of incorporation and will not allow the corporate form to be used for the purposes of fraud, or as a device to evade a contractual or other legal obligation. In this regard, the Court is of the view that there is no necessity to lift the corporate veil in respect of the relevant agreement but it is also the Court's finding that, even if it is held to be in error, neither the plaintiffs nor GSH seek to restrain the defendants from trading or otherwise be engaged in the business of popiah skins, as the no restraint of trade clause in clause 5 of the relevant agreement has provided. In any case, the first defendant had had the benefit of legal advice at the signing of the relevant agreement and cannot now be heard to complain.

Learned Counsel for the defendants had also submitted that the plaintiffs' claim is defeated by *laches* and delay. It is well established that for delay to amount to acquiescence such as would disentitle the plaintiffs relief, the delay must be so inordinate as to amount to a positive representation from the plaintiffs lulling the defendants into thinking that the plaintiffs did not object to the alleged infringement or tort. In the case of *Electrolux Ld. v. Electrix Ld. & Anor.* [1953] RPC 23, twelve years was held not to be inordinate. The Court must be satisfied that the conduct of the plaintiffs has been such as to make it unfair for them now to set up their claim for the enforcement of their legal rights. Learned Counsel for the plaintiffs had explained that in October 1982, the plaintiffs had filed an action against the second defendant's agents in Singapore, First House Frozen Food (Pte.) Ltd. Although GSH was aware of the involvement of the first and second defendants by the time the plaintiff filed the passing off action in Singapore, no separate action was instituted against the defendants at that time in Malaysia as the defendants had agreed with the plaintiffs' lawyers to change the name and logo in Malaysia. The defendants appeared to have kept their promise when they seemingly started to use the name "Pertama Spring Roll Manufacturers and Spring Rolls Sdn. Bhd." (hereinafter "Pertama").

Subsequently, GSH became aware towards the end of 1984 that the defendants were also using the name and logo for their popiah skins in Malaysia. Thereafter, GSH together with PW3 inserted the relevant advertisements to warn members of the public. The plaintiffs also filed the present action against the defendants in March 1985. The filing of the action was done as soon as the plaintiffs' solicitors were properly consulted and the necessary advice sought and the required evidence and information gathered.

Therefore, the lapse of time between the filing of the Singapore action in October 1982 and the Kuala Lumpur suit in March 1985 cannot be held against the plaintiffs as there is no positive representation from the plaintiffs that they had condoned the defendants' use of the name, logo and get up in the interim period. In fact, the plaintiffs had been hoping for an amicable settlement of the issue with the defendants by the promise from the defendants that they would change the name, logo and get up which promise the defendants had initially kept when they changed their name to "Pertama".

On these facts and considerations, it was my view that passing off had been established by the plaintiffs. Accordingly, I had given judgment for

the plaintiffs as prayed with costs except that the defendants were given two months to comply with the second, fifth, sixth and seventh prayers.

THE INSTITUTE OF COMMERCIAL MANAGEMENT UNITED KINGDOM

v.

THE NEW STRAITS TIMES PRESS (MALAYSIA) BHD.

HIGH COURT, KUALA LUMPUR
DATO' LIM BENG CHOON J.
[SUIT NO. P696 OF 1985]
30 DECEMBER 1992

DEFAMATION: Libel - Publication by defendant - Ordinary and natural meaning of words complained of - Defence of justification - Whether available - Defence of fair comment on matters of public interest - Whether available - Whether defendant actuated by malice - Principles on assessment of damages - Whether plaintiff entitled to exemplary or punitive damages - Whether defendants mitigated damages.

The defendants, a newspaper publisher, caused to be published an article entitled "British 'diploma mills' step up sales racket" which the plaintiffs, an educational institution based in the United Kingdom, claimed was defamatory of them. The plaintiffs claimed damages for libel.

Counsel for the defendants argued that since the article refers only in part to the plaintiffs, (the last three paragraphs) the first six paragraphs cannot be said to bear any reference to the plaintiffs. Counsel further argued that the words in paragraphs seven to nine are entirely severable from the rest of the article.

Held:

[1] In considering the question of identity in the present case, paragraphs 7, 8 and 9 of the article cannot be read in isolation. The article must be read as a whole.

[2] Any ordinary reasonable person who reads the article would most certainly link the plaintiffs with one of those organisations which operated the 'diploma mills' racket. It would certainly strike such a person that by placing the advertisement in the local papers the plaintiffs were trying to mislead students in offering them a worthless qualification for a fee. The article sets out as clearly as possible that the plaintiffs were one of the organisations referred to in the article.

[3] The imputations set out in the offending article can only be regarded as having a strong tendency to lower the plaintiffs in the